

**CAL STATE EAST BAY  
EDUCATIONAL FOUNDATION, INC.  
(a Component Unit of California State University, East Bay)**

Financial Statements  
and Supplementary Information

June 30, 2015 and 2014

(With Independent Auditor's Report Thereon)

**CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.**

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**Independent Accountants**

Phone: (916) 441-1111  
Fax: (916) 441-1112

Walnut Creek, CA  
94596-3000

Oakland, CA  
94612-3000

**Independent Auditor's Report**

LA/Century City

The Board of Directors  
Cal State East Bay Educational Foundation, Inc.

Newport Beach, CA

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 to 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementa

## CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

### Management's Discussion and Analysis

June 30, 2015 and 2014

(Unaudited)

This section of Cal State East Bay Educational Foundation, Inc.'s (Educational Foundation) annual financial report includes some of management's insights and analyses of the Educational Foundation's financial performance for the years ended June 30, 2015 and June 30, 2014. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes.

#### Financial Highlights

##### 2015

- Current assets increased by \$1.9 million due to an increase in investments augmented by new gifts received coupled by an increase in gift pledges recorded during the year.
- Operating revenue increased by \$2.2 million as a result of an increase in gifts received primarily for the fund raising campaign towards a capital project.
- Non-operating revenue decreased by \$2.2 million as a result of lower investment returns.

##### 2014

- Current assets increased by \$2.5 million led by gains in investments resulting from the improved financial environment in fiscal year 2014.
- Operating expenses decreased by \$2.1 million due to the business process changes in 2013 as a result of the movement of current use funds to the University.
- Non-operating revenue increased by \$0.8 million resulting from improved investment activity in fiscal year 2014.

#### Overview of the Basic Financial Statements

The annual report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*. This standard is applicable to the Educational Foundation because it is a component unit of California State University, East Bay (University). Consistent with the University, the Educational Foundation has adopted the Business-Type Activity (BTA) reporting model to represent its activities.

The financial statements include: the statements of net position, the statements of revenues, expenses, and changes in net position, and the statements of cash flows. These statements are supported in the annual report by the notes to the financial statements and this section. All sections should be considered together to obtain a complete understanding of the financial picture of the Educational Foundation.

*Statements of Net Position:* The statements of net position incl•

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**CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.**

Management's Discussion and Analysis (Continued)

June 30, 2015 and 2014

(Unaudited)

Net position increased 12% to \$19.0 million in fiscal year 2015. A \$1.2 million increase in restricted for capital projects and a 29% increase to \$4.2 million in restricted for other programs net position were offset by decreases of 1% to \$10.6 million in nonexpendable net position, a 2% decrease to \$2.4 million in restricted for scholarships net position, and a 6% decrease to \$0.4 million in unrestricted net position.

The increase in restricted for capital projects was the result of the fund raising campaign launched in fiscal year 2015 for the construction of the Center for Interdisciplinary Research and Collaborative Learning (CIRCLe) building. The increase in restricted for other programs net position is due mainly to the increase in gift pledges which comprises \$2.3 million of the balance, net of allowances for discounts and doubtful accounts. The remaining balance of which consists of \$.006 million of deferred gift annuity and approximately \$2.0 million of accumulated net investment activities in connection with endowments that fund non-scholarship programs. The decreases in the net positions were due to an increase in the annual payout distribution for the nonexpendable net position, a decrease in the value of investment funds as a result of a decline in the financial environment for the restricted for scholarships net position, and a decrease in net earnings from operating activities for the unrestricted net position.

**2014**

Current assets increased 64% to \$6.4 million led by increases in investments with the improvement of the financial environment. Current investments climbed 61% to \$5.1 million in fiscal year 2014.

Total non-current assets decreased 4% to \$11.4 million in fiscal year 2014. The decrease was primarily due to a 52% decrease in non-current pledge receivables as several moved from non-current to current in 2014.

Total current liabilities increased 9% to \$0.7 million. This increase was connected to a 9% increase in agency liabilities.

Net position increased 13% to \$17.0 million in fiscal year 2014. A 13% decrease in unrestricted net position was offset by increases of 160% to \$2.5 million in restricted for scholarship net position, a 13% increase to \$3.2 million in restricted for other programs net position, and a 1% increase to \$10.8 million in nonexpendable endowment net position. The restricted for other programs net position is comprised of \$1.3 million of gift pledges, net of allowance for discounts and doubtful accounts, \$0.006 million of deferred gift annuity, and approximately \$2.0 million of accumulated net investment activity in connection to endowments that fund non-scholarship programs. These increases in the restricted net position designations for scholarships and other programs were the result of the investment gains in fiscal year 2014 as the financial environment improved.





**CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.**

Management's Discussion and Analysis (Continued)

June 30, 2015 and 2014

(Unaudited)

**2014**

Operating revenues decreased by 55% to \$1.4 million in fiscal year 2014. The decrease was primarily due to decreases seen in all categories of gifts received in 2014. Gifts, non-capital decreased 37% to \$0.6 million, in-kind contributions decreased 81%, and additions to permanent endowments decreased 69% to \$0.6 million in fiscal year 2014. In the previous year the Educational Foundation gifts were bolstered by contributions from the University related to several business process changes. Along with the effect of those one-time contributions, the Educational Foundation experienced decreases in gifts in fiscal year 2014 as a result of a challenging fund raising environment. Educational Foundation management predicts that fund raising efforts in the coming year will yield better results.

Operating expenses decreased by 58% to \$1.5 million primarily as a result of the business process changes completed in fiscal year 2013 that temporarily increased the contributions to support activities of the University expenditures. In alignment with the approved budget, there was a 65% increase to \$0.2 million in the accounting and administrative cost in fiscal year 2014. Prior to fiscal year 2014, support services were provided in a decentralized strategy that used providers of either the University or the California State University, East Bay Foundation, Inc. With the process changes completed in fiscal year 2013, these services transitioned completely to University providers which has resulted in a more consistent and cohesive delivery of services. To allocate costs for some providers the University uses past year transaction counts. Therefore it is expected that the cost of these services will decline in subsequent years as there were numerous transactions related to the process changes completed in fiscal year 2013.

Non-operating revenues/expenses ended the year as a net revenue of \$2.1 million. This 69% increase is primarily due to gains in investment income this year as the financial environment improved.

**Request for Information**

The financial report is designed to provide a general overview of the Educational Foundation's finances. For questions concerning any information in this report or for additional financial information, contact Sherry Pickering, Director Fiscal Services, California State University East Bay, 25800 Carlos Bee Boulevard, Hayward, California 94542 or call (510) 885-7363.

**CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.**

Statements of Net Position

June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Current assets:		
Cash	\$ 72,278	\$ 387,047
Investments	6,468,577	5,054,674
Accounts receivable	191,598	173,086
Pledges receivable, net	1,629,549	799,245
Total current assets	<u>8,362,002</u>	<u>6,414,052</u>
Noncurrent assets:		
Endowment investments	10,690,777	10,812,559
Pledges receivable, net	707,551	543,237
Total noncurrent assets	<u>11,398,328</u>	<u>11,355,796</u>
Total assets	<u>19,760,330</u>	<u>17,769,848</u>
Liabilities:		
Current liabilities:		
Accounts payable	15,396	1,239
Agency liabilities	695,396	721,476
Total liabilities	<u>710,792</u>	<u>722,715</u>
Net position:		
Restricted for:		
Nonexpendable - endowments	10,690,777	10,812,559
Expendable:		
Scholarships and fellowships	2,454,708	2,511,693
Capital projects	1,238,215	-
Other programs	4,261,677	3,295,070
Unrestricted	404,161	427,811
Total net position	<u>\$ 19,049,538</u>	<u>\$ 17,047,133</u>

See accompanying notes to financial statements.

	<b>2015</b>	<b>2014</b>
Revenues:		
Operating revenues:		
Gifts, capital	\$ 1,251,250	\$ -
Gifts, noncapital	1,779,864	629,678
In-kind contributions	23,981	12,960
Additions to permanent endowments	385,825	607,598
Other operating revenues	163,712	150,629
Total operating revenues	3,604,632	1,400,865
Expenses:		
Operating expenses:		
Contributions to support activities of University	1,337,721	1,283,404
Accounting and administrative costs	190,918	226,384
Total operating expenses	1,528,639	1,509,788
Operating income (loss)	2,075,993	(108,923)



**CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.**  
Notes to Financial Statements  
June 30, 2015 and 2014

**(1) Organization and Summary of Significant Accounting Policies**

**(a) Nature of Activities**

Cal State East Bay Educational Foundation, Inc. (Educational Foundation) is a California tax-

**CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.**

Notes to Financial Statements (Continued)

June 30, 2015 and 2014

**(g) Investments**

Investments are reflected at fair value using quoted market prices. Earnings, gains, and losses are included in the statements of revenues, expenses, and changes in net position as investment gains (losses), net or investment income, net. Earnings, gains, or losses on donor restricted endowments are available or deducted from donor-designated purposes, primarily scholarships, and are presented under non-operating revenues (expenses) in the statements of revenues, expenses, and changes in net position.

**(h) Property and Equipment**

Property and equipment are stated at cost, net of accumulated depreciation. Expenses for maintenance and repairs are charged against operations. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets of three years. The Educational Foundation's property and equipment are fully depreciated and therefore, do not appear in this report.

**(i) Agency Liabilities**

The Educational Foundation administers monies and investments for the California State University East Bay Alumni Association and other University programs. Such funds are reported as agency liabilities in the statements of net position.

**(j) In-kind Contributions**

In-kind contributions are composed of miscellaneous tangible items and reported at fair value. All items greater than \$5,000 require a professional appraisal and the remainder are valued by the donor.

**(k) Net Position**

The Educational Foundation's net position is classified into the following categories:

*Restricted- Expendable:* Net position subject to externally imposed conditions that can be fulfilled by the actions of the Educational Foundation or by the passage of time.

*Restricted- Nonexpendable:* Net position subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity for the purpose of generating investment income to fund the agreed-upon purpose of the donor's gift.

*Unrestricted:* All other categories of net position, including those net position designated by the Board or management.

**CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.**

Notes to Financial Statements (Continued)

June 30, 2015 and 2014

**(l) Classification of Revenues and Expenses**

The Educational Foundation considers operating revenues and expenses in the statements of revenues, expenses, and changes in net position to be those revenues and expenses that result from exchange transactions or from other activities that are connected directly with the Educational Foundation's primary functions. Exchange transactions include charges for services rendered and the acquisition of goods and services. Certain other transactions are reported as nonoperating revenues and expenses in accordance with GASB Statement No. 35, Basic Financial Statements-and Management's Discussion and Analysis-for Public Colleges and Universities-an amendment of GASB Statement No. 34. These nonoperating activities include the Educational Foundation's net investment income and interest expense

**(m) Services and Facilities**

Certain administrative personnel and office facilities provided to the Educational Foundation by the University were subject to reimbursement through the University cost recovery process. As these services and facilities have been priced via an objective valuation process, the related expenses have been reflected in the financial statements of the Educational Foundation as reimbursements to the University.

**(n) Income Taxes**

The Educational Foundation is exempt from Federal and State corporate income taxes under Internal Revenue Service Code Section 501(c)(3) and California Revenue and Taxation Service Code 23701d. In addition, the Educational Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization that is not a private foundation under Section 509(a)(1). However, the Educational Foundation remains subject to taxes on any net income which is derived from a trade or business, regularly carried on, and unrelated to its exempt purpose.

The Educational Foundation recognizes accrued interest and penalties associated with uncertain tax positions as part of the income tax provision, when applicable. There are no amounts accrued in the financial statements related to uncertain tax positions.

The Educational Foundation files informational and income tax returns in the United States and various state and local jurisdictions. The

**CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.**

Notes to Financial Statements (Continued)

June 30, 2015 and 2014

The desired target for distributions from endowment funds for each year will be amounts that, over time, will result in the retention of earnings in the endowments equal to the rate of inflation plus 0% to 5%, after payment of investment, administration fees and distributions. In order to provide stability in distribution amounts over time, the Educational Foundation's approved overall distribution percentage will be no more than 4% times the average of the quarter-end balances of endowment and quasi-endowment values over the preceding twelve quarters.

Investments consist of the following as of June 30:

	<u>2015</u>	<u>2014</u>
Equity securities	\$ 11,832,890	\$ 12,547,066
U.S. Government securities	2,219,025	1,057,483
Mutual funds	611,819	1,067,479
Corporate bonds	1,823,334	523,679
Mortgage securities	-	145,138
Money market funds	672,286	508,794
Commodities	-	17,594
	<u>\$ 17,159,354</u>	<u>\$ 15,867,233</u>

Non-operating revenues (expenses), consists of the following as of June 30:

	<u>2015</u>	<u>2014</u>
Realized and unrealized gains (losses)	\$ (266,559)	\$ 1,985,196
Interest and dividends, net of fees	192,971	131,131
	<u>\$ (73,588)</u>	<u>\$ 2,116,327</u>

**Credit Risk**

This is the risk that an issuer or other counterparty to a debt instrument will not fulfill its obligations. This is measured by the assignment of ratings by nationally recognized statistical rating organizations. The Educational Foundation's investment policy generally prohibits investments in the following vehicles: private me tvesE354



**CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.**  
Notes to Financial Statements (Continued)  
June 30, 2015 and 2014

**Custodial Credit Risk**

**CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.**  
Notes to Financial Statements (Continued)  
June 30, 2015 and 2014

The following indicates the credit and interest rate risk of investments as of June 30, 2014. The credit ratings listed are for Moody's Investor Services.

	Moody's Credit Rating	Less than 3 months (90 days)	3 to 12 months (90-360 days)	Over 1 year (360+ days)	Total
Corporate bonds	Aa2-Baa2	\$ -	\$ 144,184	\$ 379,495	\$ 523,679
U.S. Government securities	Aa1-Aaa	-	184,054	873,429	1,057,483

**CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.**  
Notes to Financial Statements (Continued)  
June 30, 2015 and 2014

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Assets:

Current assets:		
Cash and cash equivalents	\$	72,278
Short-term investments		6,468,577
Accounts receivable, net		191,598
Leases receivable, current portion		-
Notes receivable, current portion		-
Pledges receivable, net		1,629,549
Prepaid expenses and other assets		
Total current assets		8,362,002
Noncurrent assets:		
Restricted cash and cash equivalents		-
Accounts receivable, net		-
Leases receivable, net of current portion		-
Notes receivable, net of current portion		-
Student loans receivable, net		-
Pledges receivable, net		707,551
Endowment investments		10,690,777
Other long-term investments		-
Capital assets, net		-
Other assets		-
Total noncurrent assets		11,398,328
Total assets		19,760,330
Deferred outflows of resources:		
Unamortized loss on refunding(s)		-
Total deferred outflows of resources		-

Liabilities:

Current liabilities:		
Accounts payable		15,396
Accrued salaries and benefits payable		-
Accrued compensated absences— current portion		-
Unearned revenue		-
Capitalized lease obligations – current portion		-
Long-term debt obligations – current portion		-
Claims Liability for losses and LAE - current portion		-
Depository accounts		695,396
Other liabilities		-
Total current liabilities		710,792
Noncurrent liabilities:		
Accrued compensated absences, net of current portion		-
Unearned revenue		-
Grants refundable		-
Capitalized lease obligations, net of current portion		-
Long-term debt obligations, net of current portion		-
Claims Liability for losses and LAE, net of current portion		-
Depository accounts		-
Other postemployment benefits obligation		-
Other liabilities		-
Total noncurrent liabilities		-
Total liabilities		710,792
Deferred inflows of resources:		
Deferred inflows from SCAs, grants, and others		-
Total deferred inflows of resources		-

Net Position:

Net investment in capital assets		-
Restricted for:		
Nonexpendable – endowments		10,690,777
Expendable:		
Scholarships and fellowships		2,454,708
Research		
Loans		1,238,215
Capital projects		-
Debt service		
Other		4,261,677
Unrestricted		404,161
Total net position	\$	19,049,538

Revenues:

Operating revenues:

Student tuition and fees (net of scholarship allowances of \$_____)	\$	-
Grants and contracts, noncapital:		
Federal		-
State		-
Local		-
Nongovernmental		-
Sales and services of educational activities		-
Sales and services of auxiliary enterprises (net of scholarship allowances of \$_____)		-
Other operating revenues		-
Total operating revenues		-

Expenses:

Operating expenses:

Instruction	-
Research	-
Public service	-
Academic support	-
Student services	-
Institutional support	-
Operation and maintenance of plant	-
Student grants and scholarships	-
Auxiliary enterprise expenses	1,528,639
Depreciation and amortization	-
Total operating expenses	1,528,639
Operating income (loss)	(1,528,639)

Nonoperating revenues (expenses):

State appropriations, noncapital	-
Federal financial aid grants, noncapital	-
State financial aid grants, noncapital	-
Local financial aid grants, noncapital	-
Nongovernmental and other financial aid grants, noncapital	-
Other federal nonoperating grants, noncapital	-
Gifts, noncapital	1,803,845
Investment income (loss), net	192,971
Endowment income (loss), net	(266,559)
Interest Expenses	-
Other nonoperating revenues (expenses)	163,712
Net nonoperating revenues (expenses)	1,893,969
Income (loss) before other additions	365,330

State appropriations, capital

Grants and gifts, capital	1,251,250
Additions (reductions) to permanent endowments	385,825
Increase (decrease) in net position	2,002,405

Net position:

Net position at beginning of year, as previously reported

<b>1</b>	<b>Restricted cash and cash equivalents at June 30, 2015:</b>	
	Portion of restricted cash and cash equivalents related to endowments	\$ -
	All other restricted cash and cash equivalents	\$ -
	Total restricted cash and cash equivalents	\$ -

**2.1 Composition of investments at June 30, 2015:**

	Current Unrestricted	Current Restricted	Total Current	Noncurrent Unrestricted	Noncurrent Restricted	Total Noncurrent	Total
State of California Surplus Money Investment Fund (SMIF)	\$ -	-	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	-	-	-	-	-	-	-
Corporate Bonds	687,344	-	687,344	-	1,135,990	1,135,990	1,823,334
Certificates of deposit	-	-	-	-	-	-	-
Mutual funds	230,638	-	230,638	-	381,181	381,181	611,819
Money Market funds	253,432	-	253,432	-	418,854	418,854	672,286
Repurchase agreements	-	-	-	-	-	-	-
Commercial paper	-	-	-	-	-	-	-
Asset backed securities	-	-	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-	-	-
Municipal bonds	-	-	-	-	-	-	-
U.S. agency securities	177,667	-	177,667	-	293,635	293,635	471,302
U.S. treasury securities	658,841	-	658,841	-	1,088,882	1,088,882	1,747,723
Equity securities	4,460,655	-	4,460,655	-	7,372,235	7,372,235	11,832,890
Exchange traded funds (ETFs)	-	-	-	-	-	-	-
Alternative investments:	-	-	-	-	-	-	-
Private equity (including limited partnerships)	-	-	-	-	-	-	-
Hedge funds	-	-	-	-	-	-	-
Managed futures	-	-	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-
Other alternative investment types	-	-	-	-	-	-	-
Other external investment pools (excluding SWIFT)	-	-	-	-	-	-	-
Other major investments:	-	-	-	-	-	-	-
Total investments	6,468,577	-	6,468,577	-	10,690,777	10,690,777	17,159,354
Less endowment investments (enter as negative number)	-	-	-	-	(10,690,777)	(10,690,777)	(10,690,777)
Total investments	6,468,577	-	6,468,577	-	-	-	6,468,577

**2.2 Investments held by the University under contractual ag**



**Cal State East Bay Educational Foundation, Inc.**  
Other Information (Continued)  
June 30, 2015  
(for inclusion in the California State University)

**3.2 Detail of depreciation and amortization expense for the year ended June 30, 2015:**

Depreciation and amortization expense related to capital assets	\$	-
Amortization expense related to other assets		-
Total depreciation and amortization	\$	-

**4 Long-term liabilities activity schedule:**

	Balance June 30, 2015	Prior period adjustments	Reclassifications	Balance June 30, 2015 (restated)	Additions	Reductions	Balance June 30, 2015	Current portion	Long-term portion
Capitalized lease obligations:	\$	-	-	-	-	-	-	-	-
Gross balance	-	-	-	-	-	-	-	-	-
Unamortized premium / (discount) on capitalized lease obligations	-	-	-	-	-	-	-	-	-
Total capitalized lease obligations	-	-	-	-	-	-	-	-	-
Long-term debt obligations:									
Revenue Bonds	-	-	-	-	-	-	-	-	-
Other bonds (non-Revenue Bonds)	-	-	-	-	-	-	-	-	-
Commercial Paper	-	-	-	-	-	-	-	-	-
Note Payable related to SRB	-	-	-	-	-	-	-	-	-
Other:									
Total long-term debt obligations	-	-	-	-	-	-	-	-	-
Unamortized bond premium / (discount)	-	-	-	-	-	-	-	-	-
Total long-term debt obligations, net	-	-	-	-	-	-	-	-	-
Total long-term liabilities	\$	-	-	-	-	-	-	-	-

**5 Future minimum lease payments - capital lease obligations:**

	Principal	Interest	Principal and Interest
Year ending June 30:			
2015	-	-	-
2016	-	-	-
2017	-	-	-
2018	-	-	-
2019	-	-	-
2020 - 2024	-	-	-
2025 - 2029	-	-	-
2030 - 2034	-	-	-
2035 - 2039	-	-	-
2040 - 2044	-	-	-
2045 - 2049	-	-	-
2050 - 2054	-	-	-
2055 - 2059	-	-	-
2060 - 2064	-	-	-
Total minimum lease payments			-
Less amounts representing interest			- ml-9172



Cal State East Bay Educational Foundation, Inc.  
Other Information (Continued)  
June 30, 2015  
(for inclusion in the California State University)

6 Long-term debt obligation schedule

	Revenue Bonds			All other long-term debt obligations			Total		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
Year ending June 30:									
2015	\$ -	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-
2020 - 2024	-	-	-	-	-	-	-	-	-
2025 - 2029	-	-	-	-	-	-	-	-	-
2030 - 2034	-	-	-	-	-	-	-	-	-
2035 - 2039	-	-	-	-	-	-	-	-	-
2040 - 2044	-	-	-	-	-	-	-	-	-
2045 - 2049	-	-	-	-	-	-	-	-	-
2050 - 2054	-	-	-	-	-	-	-	-	-
2055 - 2059	-	-	-	-	-	-	-	-	-
2060 - 2064	-	-	-	-	-	-	-	-	-
Total	\$ -	-	-	-	-	-	-	-	-

7 Calculation of net position

	Auxiliary Organizations		Total
	GASB	FASB	Auxiliaries
<b>7.1 Calculation of net position - Net investment in capital assets</b>			
Capital assets, net of accumulated depreciation	\$ -	-	-
Capitalized lease obligations - current portion	-	-	-
Capitalized lease obligations, net of current portion	-	-	-
Long-term debt obligations - current portion	-	-	-
Long-term debt obligations, net of current portion	-	-	-
Portion of outstanding debt that is unspent at year-end	-	-	-
Other adjustments: (please list)	-	-	-
Net position - net investment in capital asset	\$ -	-	-
<b>7.2 Calculation of net position - Restricted for nonexpendable - endowments</b>			
Portion of restricted cash and cash equivalents related to endowments	\$ -	-	-
Endowment investments	10,690,777	-	10,690,777
Other adjustments: (please list)	-	-	-
Net position - Restricted for nonexpendable - endowments per SNP	\$ 10,690,777	-	10,690,777

See accompanying note to supplementary information.

**Cal State East Bay Educational Foundation, Inc.**  
 Other Information (Continued)  
 June 30, 2015  
 (for inclusion in the California State University)

**8 Transactions with Related Entities**

	<b>Amount</b>
Payments to University for salaries of University personnel working on contracts, grants, and other program:	\$ -
Payments to University for other than salaries of University personnel	177,835
Payments received from University for services, space, and programs	40,317
Gifts-in-kind to the University from discretely presented component units	12,368
Gifts (cash or assets) to the University from discretely presented component units	1,313,740
Accounts (payable to) University (enter as negative number)	-
Other amounts (payable to) University (enter as negative number)	-
Accounts receivable from University	-
Other amounts receivable from University	-

**9 Other Postemployment Benefits Obligation (OPEB)**

Annual required contribution (ARC)	\$ -
Contributions during the year	-
Increase (decrease) in net OPEB obligation (NOO)	-
NOO - beginning of year	-
NOO - end of year	\$ -

**10 Pollution remediation liabilities under GASB Statement No. 49:**

<b>Description</b>	<b>Amount</b>
Total pollution remediation liabilities	\$ -
Less: current portion	-
Pollution remediation liabilities, net of current portion	-

**11 The nature and amount of the prior period adjustment(s) recorded to beginning net position**

	<b>Net Position Class</b>	<b>Amount</b>
		<b>Dr. (Cr.)</b>
Net position as of June 30, 2014, as previously reported	\$	17,047,133
Prior period adjustments:		
Net position as of June 30, 2014, as restated	\$	17,047,133

See accompanying note to supplementary information.

**Cal State East Bay Educational Foundation, Inc.**  
 Other Information (Continued)  
 June 30, 2015  
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Provide a detailed breakdown of the journal entries (at the financial statement line item level) booked to record each prior period adjustment:

	Debit	Credit
Net position class: _____ 1 (breakdown of adjusting journal entry)	\$ -	-
Net position class: _____ 2 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 3 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 4 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 5 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 6 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 7 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 8 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 9 (breakdown of adjusting journal entry)	-	-
Net position class: _____ 10 (breakdown of adjusting journal entry)	-	-

See accompanying note to supplementary information.

**CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.**  
Note to Supplementary Information  
June 30, 2015 and 2014

**(a) Basis of Presentation**

These schedules are prepared in